



APPROPRIATIONS UPDATE

HOUSE COMMITTEE ON THE BUDGET
Majority Caucus • Jim Nussle, *Chairman*

309 Cannon House Office Building
www.budget.house.gov • (202) 226-7270

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FOREIGN OPERATIONS APPROPRIATIONS BILL FOR FISCAL YEAR 2003 H.R. 5410

SUMMARY

The Foreign Operations appropriations bill (H.R. 5410), as reported by the House Appropriations Committee on 19 September 2002, is consistent with the House Concurrent

Resolution on the Budget for Fiscal Year 2003 (H.Con.Res. 353). The legislation complies with the requirements of the Congressional Budget Act.

COST OF THE LEGISLATION

As reported, H.R. 5410 provides \$16.549 billion in new budget authority [BA] and \$16.568 billion in outlays for fiscal year 2003, which began on 1 October 2002. The figures reflect increases of \$226 million in BA and \$413 million outlays from 2002 (see Table 1 below).

Appropriations for foreign operations have increased an average of 0.6 percent a year in the past 3 years. The bill does not contain rescissions of previously enacted BA, or advance appropriations. Table 2, on the following page, gives a breakdown of spending by major program area.

Table 1: Foreign Operations Appropriations Bill
(fiscal years; millions of dollars)

	2002 Enacted ^a	Administration 2003 Request	302(b) for 2003	2003 Bill
Budget Authority	16,323	16,450	16,550	16,549
Outlays	16,155	16,748	16,571	16,568

^a House current status plus this bill's share of unallocated emergency outlays.

COMPLIANCE WITH THE BUDGET RESOLUTION

The bill complies with sections 302(f) and 311(a) of the Budget Act. The first of these sections prohibits the consideration of bills in excess of a subcommittee's 302(b) allocation for new budget authority. The second, section 311(a), prohibits consideration of legislation exceeding the

overall levels of budget authority and outlays established in the budget resolution. The \$16.549 billion in new discretionary budget authority and \$16.568 billion in outlays are less than the 302(b) allocations to the House Appropriations Subcommittee on Foreign Operations.

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READER'S NOTE

Although this measure did not reach the floor, the Appropriations Committee did complete action on it before adjournment of the 107th Congress.

This document was prepared by the majority staff of the House Committee on the Budget. It has not been approved by the full committee and may not reflect the views of all the committee's members.

Table 2: Discretionary Spending in the Foreign Operations Appropriations Bill
(in millions of dollars)

	Budget Authority	Outlays
International Security Assistance	7,004	7,361
Agency for International Development	5,396	4,853
Department of State	1,846	1,681
Multilateral Assistance	1,547	1,874
Export-Import Bank	596	660
Other International Assistance Programs	160	139

DISCUSSION

Overall, the bill is \$99 million above the President's amended request. This level of variation in BA from the request is largely due to the following:

- An increase of \$257 million for the Agency for International Development [AID]. The bill does not combine funding for the Child Survival and Health Programs Fund into the Sustainable Development Assistance Program, as proposed by the President. The bill continues the Child Survival and Health Programs Fund and provides it with an additional \$262 million (of which \$120 million was moved from international organizations and programs). Other increases include international disaster assistance (\$30 million); assistance for Eastern Europe (\$25 million); AID operating expenses (\$6 million); and the Inspector General (\$1 million). These increases are offset by reductions to AID capital investment (\$52 million), and transition initiatives (\$15 million).
- An increase of \$198 million for the Department of State, largely due to additional funds for international narcotics control (\$98 million); migration and refugee assistance (\$95 million); and emergency refugee and migration (\$5 million).
- A reduction of \$210 million in multilateral assistance. Reductions are made relative to the request for international organizations and programs (\$120 million, which was moved to the Child Survival and Health program); contributions to the Asian development fund (\$49 million); the World Bank global environment facility (\$30 million); the African development fund (\$5 million); the multilateral investment fund for the Americas (\$5 million); and other programs (\$1 million).
- A decrease of \$153 million for International Security Assistance. Additional funds to Israel for antiterrorism assistance (\$200 million) and peacekeeping (\$17 million) are more than offset by reductions in foreign military finance programs (\$125 million); the Economic Support Fund (\$220 million); and nonproliferation and antiterrorism projects (\$25 million).
- Funding for the Export-Import Bank at \$2 million below the level of the amended request. Other programs are increased by a net of \$9 million.

Finally, the bill contains new language to ensure that not less than \$295.5 million is provided to Afghanistan for humanitarian and reconstruction assistance.

Prepared by **Lynn Kremer, Bret Coulson, Budget Analysts**
Daniel J. Kowalski, Director of Budget Review